

**Assembly Concurrent Resolution**

**No. 60**

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**Introduced by Assembly Member Morrell**

May 14, 2013

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Assembly Concurrent Resolution No. 60—Relative to the 35th anniversary of Proposition 13.

LEGISLATIVE COUNSEL’S DIGEST

ACR 60, as introduced, Morrell. The 35th anniversary of the enactment of Proposition 13.

This measure would commemorate June 6, 2013, as the 35th anniversary of the approval of Proposition 13 by California voters.

Fiscal committee: no.

1 WHEREAS, On June 6, 1978, Proposition 13, officially titled  
2 the “People’s Initiative to Limit Property Taxation,” was  
3 overwhelmingly approved by California’s voters, reducing property  
4 tax rates on homes, businesses, and farms, and capping the rate of  
5 increase in the future; and

6 WHEREAS, Prior to the adoption of Proposition 13, California’s  
7 raging inflation had sent property tax bills in California soaring  
8 so high that many families had to sell their homes because they  
9 could not afford to pay their taxes; and

10 WHEREAS, Prior to the adoption of Proposition 13, small  
11 business owners facing fast increasing property taxes were forced  
12 to lay off their employees or close their businesses if property tax  
13 increases made their businesses unprofitable; and

1 WHEREAS, Prior to the adoption of Proposition 13, renters  
2 saw their rents increase when landlords saw their property taxes  
3 increase at a rapid rate; and

4 WHEREAS, With the passage of Proposition 13, taxpayers, for  
5 the first time, were provided a measure of certainty with respect  
6 to their property taxes; and

7 WHEREAS, In the 35 years following the passage of Proposition  
8 13, the average homeowner and the average small business have  
9 saved tens of thousands of dollars annually in property tax  
10 payments, money that was put back into the economy to create  
11 jobs and foster economic development; and

12 WHEREAS, Since the passage of Proposition 13, proposed  
13 alternatives to Proposition 13 would have had a variety of  
14 unwelcome effects, including substantial tax increases for  
15 low-income and elderly homeowners; and

16 WHEREAS, Increased property taxes would be a disincentive  
17 for first-time homebuyers and stand as a barrier to growth of our  
18 housing market; and

19 WHEREAS, Proposition 13 remains just as popular with voters  
20 today as it was when it was approved, with numerous recent  
21 surveys citing over 60 percent support; and

22 WHEREAS, Proposed alternatives to Proposition 13 that would  
23 increase property taxes on California businesses would also affect  
24 the ability of employers to hire or retain California employees;  
25 and

26 WHEREAS, Proposed alternatives to Proposition 13 would also  
27 negatively affect renters who would see their rents increased if  
28 their landlords experienced property tax increases; and

29 WHEREAS, Since the passage of Proposition 13, voters have  
30 rejected, by wide margins, changes that would have businesses  
31 pay property taxes at a higher rate than those imposed upon  
32 residential owners, as evidenced by the defeat of Proposition 13  
33 in 1992; and

34 WHEREAS, The volatility of income and sales tax revenue to  
35 the state and local governments is a major flaw in California's tax  
36 system; however, Proposition 13 has rendered California's property  
37 taxes a stable and predictable source of public revenue even during  
38 economic downturns and has provided a major benefit to local  
39 governments in California; and

1 WHEREAS, Thursday, June 6, 2013, marks the 35th year  
2 following the voters' approval of Proposition 13; now, therefore,  
3 be it

4 *Resolved by the Assembly of the State of California, the Senate*  
5 *thereof concurring*, That the Legislature, in recognition of the  
6 impact Proposition 13 has had on the State of California, formally  
7 commemorates June 6, 2013, as the 35th anniversary date of  
8 Proposition 13; and be it further

9 *Resolved*, That the Legislature reaffirms its support for  
10 Proposition 13 and the benefit that it provides to individual  
11 homeowners and to the state's overall economy; and be it further

12 *Resolved*, That the Chief Clerk of the Assembly transmit copies  
13 of this resolution to the Governor of the State of California, and  
14 to the author for appropriate distribution.